

Financial Summary

First Quarter (Three Months) ended June 30, 2024



August 5, 2024
North Pacific Bank, Ltd.

Tokyo Stock Exchange Prime Market, Sapporo Securities Exchange: 8524

I. Financial Statements

1. Consolidated Balance Sheets

(¥ millions)

		As of Mar. 31, 2024	As of Jun. 30, 2024
Assets	資産の部		
Cash and due from banks	現金預け金	3,060,635	2,988,243
Call loans and bills bought	コールローン及び買入手形	542	588
Monetary claims bought	買入金銭債権	13,770	12,161
Trading securities	商品有価証券	1,765	1,684
Securities	有価証券	2,385,288	2,558,030
Loans and bills discounted	貸出金	7,487,752	7,421,409
Foreign exchanges	外国為替	5,814	8,011
Lease receivables and investment assets	リース債権及びリース投資資産	58,312	58,334
Other assets	その他資産	119,648	128,133
Property, plant and equipment	有形固定資産	70,623	70,179
Intangible assets	無形固定資産	18,735	17,880
Net defined benefit asset	退職給付に係る資産	1,408	1,448
Deferred tax assets	繰延税金資産	535	554
Customers' liabilities for acceptances and guarantees	支払承諾見返	65,308	71,136
Allowance for loan losses	貸倒引当金	(45,568)	(45,347)
Total assets	資産の部合計	13,244,574	13,292,450
Liabilities	負債の部		
Deposits	預金	10,915,046	10,821,437
Negotiable certificates of deposit	譲渡性預金	177,789	241,052
Cash collateral received for securities lent	債券貸借取引受入担保金	599,643	692,858
Borrowed money	借入金	926,147	930,439
Foreign exchanges	外国為替	335	606
Other liabilities	その他負債	87,533	110,154
Provision for bonuses	賞与引当金	1,470	382
Provision for share awards	株式給付引当金	163	148
Net defined benefit liability	退職給付に係る負債	1,335	1,338
Provision for reimbursement of deposits	睡眠預金払戻損失引当金	1,010	964
Provision for point card certificates	ポイント引当金	345	362
Reserves under special laws	特別法上の引当金	19	19
Deferred tax liabilities	繰延税金負債	19,107	4,905
Deferred tax liabilities for land revaluation	再評価に係る繰延税金負債	1,797	1,788
Acceptances and guarantees	支払承諾	65,308	71,136
Total liabilities	負債の部合計	12,797,053	12,877,596
Net assets	純資産の部		
Capital stock	資本金	121,101	121,101
Capital surplus	資本剰余金	74,751	74,751
Retained earnings	利益剰余金	176,889	180,214
Treasury shares	自己株式	(3,921)	(5,192)
Total shareholders' equity	株主資本合計	368,821	370,874
Valuation difference on available-for-sale securities	その他有価証券評価差額金	70,001	35,996
Revaluation reserve for land	土地再評価差額金	3,522	3,503
Remeasurements of defined benefit plans	退職給付に係る調整累計額	307	230
Total accumulated other comprehensive income	その他の包括利益累計額合計	73,831	39,730
Share acquisition rights	新株予約権	28	28
Non-controlling interests	非支配株主持分	4,840	4,220
Total net assets	純資産の部合計	447,520	414,853
Total liabilities and net assets	負債及び純資産の部合計	13,244,574	13,292,450

2. Consolidated Statements of Income and Comprehensive Income

(1) Consolidated Statements of Income

(¥ millions)

		Three months ended Jun. 30,	
		2023	2024
Ordinary income	経常収益	32,767	33,752
Interest income	資金運用収益	17,487	19,338
Of which, interest on loans and discounts	うち貸出金利息	14,080	14,846
Of which, interest and dividends on securities	うち有価証券利息配当金	2,851	3,737
Fees and commissions	役務取引等収益	7,010	7,314
Other ordinary income	その他業務収益	6,199	6,321
Other income	その他経常収益	2,070	778
Ordinary expenses	経常費用	27,985	26,372
Interest expenses	資金調達費用	389	682
Of which, interest on deposits	うち預金利息	40	424
Fees and commissions payments	役務取引等費用	3,284	3,216
Other ordinary expenses	その他業務費用	7,127	5,287
General and administrative expenses	営業経費	16,886	16,942
Other expenses	その他経常費用	297	244
Ordinary profit	経常利益	4,782	7,379
Extraordinary income	特別利益	114	9
Gain on disposal of non-current assets	固定資産処分益	114	9
Extraordinary losses	特別損失	31	44
Loss on disposal of non-current assets	固定資産処分損	28	30
Impairment losses	減損損失	3	14
Profit before income taxes	税金等調整前四半期純利益	4,865	7,344
Income taxes – current	法人税、住民税及び事業税	1,072	1,340
Income taxes – deferred	法人税等調整額	665	938
Total income taxes	法人税等合計	1,737	2,279
Profit	四半期純利益	3,128	5,065
Profit attributable to non-controlling interests	非支配株主に帰属する四半期純利益	(100)	(170)
Profit attributable to owners of parent	親会社株主に帰属する四半期純利益	3,228	5,236

(2) Consolidated Statements of Comprehensive Income

(¥ millions)

		Three months ended Jun. 30,	
		2023	2024
Profit	四半期純利益	3,128	5,065
Other comprehensive income	その他の包括利益	11,543	(34,525)
Valuation difference on available-for-sale securities	その他有価証券評価差額金	11,449	(34,449)
Remeasurements of defined benefit plans, net of tax	退職給付に係る調整額	94	(76)
Comprehensive income	四半期包括利益	14,671	(29,460)
Comprehensive income attributable to owners of parent	親会社株主に係る四半期包括利益	14,677	(28,845)
Comprehensive income attributable to non-controlling interests	非支配株主に係る四半期包括利益	(5)	(614)

II . Digest of financial results for three months ended June 30, 2024

1. Summary (Non-Consolidated)

	Three months ended Jun.30,		Increase/ (Decrease)	(¥ millions)
	2023	2024		Six months ending Sep.30, 2024 (Forecasts)
Ordinary income	27,367	28,485	1,118	53,200
Core gross profit	20,991	23,159	2,168	42,300
Net interest income	18,346	20,097	1,751	
Net fees and commissions	2,545	2,754	209	
Net other operating income (excluding gains (losses) on bonds)	99	307	208	
Expenses (excluding non-recurring losses)	15,768	15,946	178	32,400
Core operating profit	5,222	7,212	1,990	9,800
Excluding gains (losses) on cancellation of investment trusts	5,222	7,212	1,990	
Credit cost	(14)	(374)	(360)	1,000
Gains (losses) on securities	138	151	13	
Bonds, etc	(1,460)	60	1,520	
Stocks, etc	1,599	90	(1,509)	
Net other non-recurring income (loss)	298	568	270	
Ordinary profit	5,674	8,306	2,632	10,500
Extraordinary income (losses)	84	(35)	(119)	
Income before income taxes	5,758	8,271	2,513	
Income taxes	1,521	2,167	646	
Net income	4,237	6,103	1,866	7,200
Net operating profit	3,761	7,272	3,511	

Core gross profit = Net interest income + Net fees and commissions + Net other operating income(excluding gains (losses) on bonds)

Core operating profit = Core gross profit - Expenses(excluding non-recurring losses)

Net operating profit = Core operating profit + Gains(losses) on bonds

2. Deposits and NCDs (Non-Consolidated)

【Average Balance】

(¥ billions)

	Three months ended Jun.30,		Increase/ (Decrease)	Year ended Mar. 31,2024 (B)	(A)–(B)
	2023	2024 (A)			
Deposits and NCDs	10,810.3	10,932.3	122.0	10,815.0	117.2
Corporate	3,112.1	3,097.3	(14.7)	3,048.1	49.2
Individual	6,829.4	6,947.2	117.7	6,892.4	54.7
Public sectors and financial institutions	868.7	887.7	19.0	874.4	13.3

【Outstanding Balance】

(¥ billions)

	As of Jun.30,		Increase/ (Decrease)	As of Mar.31, 2024 (B)	(A)–(B)
	2023	2024 (A)			
Deposits and NCDs	10,907.0	11,079.7	172.7	11,109.0	(29.3)
Deposit assets	259.4	276.5	17.0	265.6	10.8
Safe custody of public bonds	108.1	119.2	11.0	113.5	5.7
Investment trusts	151.2	157.2	5.9	152.1	5.0
Total	11,166.4	11,356.2	189.7	11,374.7	(18.5)

3. Loans and bills discounted (Non-Consolidated)

【Average Balance】

(¥ billions)

	Three months ended Jun.30,		Increase/ (Decrease)	Year ended Mar. 31,2024 (B)	(A)–(B)
	2023	2024 (A)			
Loans and bills discounted	7,765.0	7,460.7	(304.2)	7,737.2	(276.4)
Enterprises	3,008.3	2,996.6	(11.7)	3,036.3	(39.6)
Individuals	2,145.6	2,234.9	89.2	2,175.4	59.4
Public sectors	2,611.0	2,229.2	(381.8)	2,525.3	(296.1)

Public sector loans include loans to government and land development public corporations.

【Outstanding Balance】

(¥ billions)

	As of Jun.30,		Increase/ (Decrease)	As of Mar.31, 2024 (B)	(A)–(B)
	2023	2024 (A)			
SMEs, etc	4,176.6	4,229.7	53.1	4,267.8	(38.1)
Loans and bills discounted	7,748.1	7,487.4	(260.6)	7,549.8	(62.3)
In Hokkaido	5,779.6	5,821.0	41.3	5,804.4	16.5

4. Securities (Non-Consolidated)

【Outstanding Balance】

(¥ billions)

	As of Jun.30,		Increase/ (Decrease)	As of Mar.31, 2024 (B)	(A)–(B)
	2023	2024 (A)			
Securities	1,714.5	2,557.1	842.5	2,383.3	173.7

5. Unrealized Gains (Losses) on Securities (Non-Consolidated)

(¥ billions)

	As of Mar.31, 2024			As of Jun.30, 2024			
	Net (B)	Unrealized gains	Unrealized losses	Net (A)	(A)–(B)	Unrealized gains	Unrealized losses
Unrealized gains (losses) on securities	94.0	146.3	52.3	45.9	(48.1)	124.6	78.7
Stocks	137.0	137.0	0	116.0	(20.9)	116.1	0
Bonds	(46.3)	1.3	47.7	(72.4)	(26.1)	0.6	73.0
Others	(3.3)	7.9	4.5	2.2	(1.1)	7.9	5.6
Nikkei stock average (¥)	40,369			39,583			
New 10-year Japanese government bond yield (%)	0.725			1.050			

6. Claims based on the Banking Act and the Act on Emergency Measures for Revitalizing Financial Functions (Non-Consolidated)

(¥ billions)

	As of Jun.30,		Increase/ (Decrease)	As of Mar.31, 2024 (B)	(A)–(B)
	2023	2024 (A)			
Bankrupt and quasi-bankrupt claims	34.4	35.9	1.5	35.4	0.4
Doubtful claims	33.8	43.5	9.6	42.7	0.8
Substandard claims	18.0	14.5	(3.5)	16.0	(1.5)
Loans overdue for more than 3 months	0.2	0.4	0.2	0.2	0.2
Restructured loans	17.8	14.0	(3.7)	15.8	(1.8)
Total (a)	86.3	94.0	7.7	94.2	(0.2)
After partial direct write-offs (b) *	67.6	73.3	5.7	73.5	(0.1)
Normal claims	7,835.0	7,556.7	(278.3)	7,610.9	(54.2)
Total claims (c)	7,921.3	7,650.7	(270.6)	7,705.2	(54.4)
After partial direct write-offs (d) *	7,902.7	7,630.0	(272.6)	7,684.5	(54.4)
< Percentage of total claims >					(%)
(a) / (c)	1.08	1.22	0.14	1.22	0.00
(b) / (d) *	0.85	0.96	0.11	0.95	0.01

* Partial direct write-offs have not been implemented. The figures as they would appear after partial direct write-offs are shown for reference.

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